FOR IMMEDIATE RELEASE Friday, September 23, 2011

**CONTACT: MARA LEE** 

(202) 225-7163

## Congresswoman Matsui Urges Passage of American Jobs Act

Plan Would Provide Much-Need Resources for California Schools, Families

WASHINGTON, D.C. – Today, Congresswoman Doris Matsui (D-Sacramento) reiterated her support for the <u>American Jobs Act</u>, legislation sent to Congress by President Barack Obama, and introduced Wednesday in the House of Representatives as H.R. 12

. The American Jobs Act will help small businesses grow and hire workers, put more money back into the pockets of working Americans and families, and create jobs while rebuilding and modernizing our infrastructure. This legislation will also help put long-term unemployed citizens back to work without adding to the deficit because the plan is fully paid for by closing tax loopholes for companies that ship jobs overseas, by eliminating subsidies to Big Oil, and by removing tax subsidies on those who continue to make millions, yet pay relatively little in federal taxes.

California would benefit greatly from the passing of the American Jobs Act, receiving billions of dollars to invest in job creation, infrastructure improvements, and small businesses. California's education system will get a further boost from the over \$3.6 billion dollar portion of the funding going towards preventing teacher layoffs and supporting more teacher, police and firefighter hiring and retention. In California, this money alone could support up to 37,300 jobs for educators and first responders. The state is also eligible to obtain another \$1.8 billion to revitalize and refurbish local communities, in addition to money secured through competitive applications.

"As we all know, California schools, students and teachers have all been negatively impacted by the nation-wide economic downturn and the state's budget cuts. But this job plan will provide California with more than \$2.8 billion, creating as many as 36,600 jobs to improve our classrooms," Congresswoman Matsui reported. "The President's plan also identifies key school

districts that will receive immediate funding to upgrade school infrastructures and my district, if passed the Sacramento City Unified School District could receive an estimated \$46.9 million. We can use this funding to modernize aging schools and stop laying-off teachers."

President Obama's plan also recognizes the crucial role of community colleges in local education and job preparation, providing California's community colleges up to \$1.1 billion for facility modernizations. These renovations will ensure that local educational institutions can provide the proper training necessary for the success of their students in today's highly technical and growing fields.

Through an expansion of payroll tax cuts passed last December, the jobs package would put around \$1,740 back into the pockets of typical Californian households earning a median income of \$56,000. Under the American Jobs Act, over 1.2 million long-term unemployed Californians could get back to work and 356,900 would be prevented from losing their unemployment insurance in the first six weeks. The proposed payroll tax cuts will also provide relief to an estimated 710,000 small business firms throughout the state. The bill also puts forth a new Pathways Back to Work Fund that would place 19,800 adults and 58,600 youths in jobs, giving low-income Californians the training and experience they need to prosper in growth industries.

Meanwhile, California transit and highway modernization projects would receive over \$3.9 billion in investments allowing for the creation of a minimum of 51,500 jobs. This investment in federal funding will help California jumpstart its economy, while providing the infrastructure improvements that are critical to public safety.

Mark Zandi, chief economist at Moody's Analytics, recently wrote, "If fully implemented, the Obama jobs plan would increase real GDP growth in 2012 by 2 percentage points, add 1.9 million jobs, and reduce the unemployment rate by a full percentage point."

"This is not a vague plan – it is a specific, comprehensive and tangible piece of legislation that when enacted will help put America back to work," Congresswoman Matsui said. "Sacramento families cannot wait any longer – I ask my colleagues to join me in supporting the American Jobs Act and urge its immediate passage."

###